

**MINUTES OF THE MEMBERS MEETING OF THE  
NEW YORK STATE HOUSING FINANCE AGENCY**

**HELD ON THURSDAY, NOVEMBER 10, 2022, AT 9:00 A.M.  
AT ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

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**MEMBERS AND DESIGNEES**

**PRESENT:**

Kenneth G. Adams	Chairman
Joyce Miller	Member
Christopher Curtis	New York State Department of Taxation and Finance, representing the Commissioner of Taxation & Finance Member (via video conference)
Jesse Olczak	New York State Division of the Budget, representing Robert Mujica, Budget Director, Member (via video conference)
Sadie McKeown	Member
James McIntyre	Member, representing the Temporary President of the State Senate
RuthAnne Visnauskas	Commissioner of the State of New York Division of Housing and Community Renewal

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Chairman Kenneth G. Adams presided over the meeting. Diana Villarnovo Lopez, Senior Vice President and Counsel formally opened the meetings and acted as secretary.

Ms. Lopez noted that Mr. Jesse Olczak, representing Mr. Robert Mujica, Director of the Division of the Budget and Mr. Christopher Curtis, representing the Commissioner of Taxation and Finance are participating in the meeting via video conference from the New York State Division of Budget conference center at the Capitol Building Room 131 in Albany.

A public notice was given of the time and location of the venue in accordance with the New York State Open Meetings Law.

Ms. Lopez asked for motions and seconds to call to order the Members' and Directors' meetings of the New York State Housing Finance Agency ("HFA"), the New York State Affordable Housing Corporation ("AHC"), the New York State Housing Trust Fund Corporation (the "HTFC"), the State of New York Mortgage Agency ("SONYMA"), the State of New York

Mortgage Agency Mortgage Insurance Committee (“MIC”) and the New York State Housing Finance Agency Finance and Program Committee (the “Finance and Program Committee”).

Chairman Adams moved to call the HFA, HTFC and AHC meetings to order and Mr. Olczak seconded the motion. Mr. Freeman moved to call the SONYMA meeting to order, and Chairman Adams seconded the motion. Chairman Adams moved to call the MIC meeting to order, and Ms. Visnauskas seconded the motion. Chairman Adams moved to call the Finance and Program Committee to order, and Ms. Visnauskas seconded the motion.

Ms. Lopez stated that as items were presented to each Board throughout the meetings, these motions and seconds would be used, unless specific items called for a different vote, or unless any Board Director wished to record his or her vote differently.

These minutes reflect only those items being considered by the HFA Board. A record of items considered by the other Agencies is contained in the minutes of each of the Agencies.

Ms. Visnauskas then made her President’s report.

She started the meeting by noting the election of Governor Hochul as the first woman Governor of the State of New York, a historic moment. She noted that it has been incredibly energizing to work under her leadership over the past year and to be launching another housing plan, and she looks forward to continuing to work with her team on new strategies to increase housing across the State. Ms. Visnauskas stated that the new Governor has been prioritizing affordable housing in her campaign talking points. She added that it is not lost on the Agencies that this is an issue that impacts every single New Yorker, and it is a lesson that inspires us to work to improve the lives of New Yorkers. She noted that she was proud to be part of this effort.

On a sadder note, Ms. Visnauskas also noted that Assemblyman Cymbrowitz had not been reelected and that he would be missed as part of the Assembly Housing Committee, as he was a great ally of the Agencies in our housing agenda.

Ms. Visnauskas previewed for the Boards several items on the agenda which together bring new housing investments to Buffalo, Rochester, the Finger Lakes region, and in New York City. She highlighted two projects, both of which involved senior housing and call attention to the value of providing housing that is affordable and stable and that offers access to healthcare and to other services. She noted a recent article in The New York Times that addresses a troubling trend among senior citizens concerning the rise in the poverty rate for those sixty-five years and older. The article notes that long-term projections indicate the trend is worsening as retirement income is not keeping pace with rising costs.

Ms. Visnauskas also noted that a number of housing infrastructure projects will be coming through our competitive funding round, a program that is administered by HCR and helps counties, towns and villages across the State that have populations of 50,000 and less and makes investments in those communities. She added that 30 of the projects represent \$23 million in public water, sewer, public facility projects as well as community planning projects. The balance is for housing and staff is excited to be presenting them to the HTFC board.

Ms. Visnauskas also mentioned that approximately \$5.3 million in Main Street Awards would be coming to the Board, covering 23 projects. She mentioned her recent trip to Troy, where HTFC funded a \$5 million investment in a new community facility that will serve low-income individuals and families

Ms. Visnauskas then focused on an item of interest for the SONYMA Board where the SONYMA Community Restoration Fund had today purchased a pool of 99 non-performing loans from Fannie Mae. She mentioned that several years ago, the CRF had been formed as a subsidiary of SONYMA with the task of acquiring non-performing residential mortgage loans and modifying them to provide a soft landing. The Fund has been very successful through the years in taking delinquent and abandoned properties and finding ways to convert them into affordable housing.

Mr. Freeman asked for some more detail on the CRF program and Ms. Visnauskas noted how the program is designed to permit the acquisition of residences and the purchase of mortgages either by the Fund directly or by providing funds to eligible institutions to acquire residences and mortgages. The goal is to assist homeowners who may benefit from foreclosure assistance and to help repurpose vacant, abandoned properties that are a source of neighborhood blight.

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**The first item on the agenda was the adoption of the minutes of the meetings held on October 13, 2022.** There being no objections or corrections from the HFA Board, Ms. Lopez deemed the minutes approved.

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**The next item was the adoption of resolution approving Senior Officer compensation adjustments.**

Ms. Mallow presented the item. She summarized for the Board the requirements found in the Agencies' salary guidelines, noting that any adjustments to the salaries of Senior Officers require Board approval and CEO recommendation and that any adjustments to the salary of the CEO need Chair recommendation, which is why the memorandum before the Boards was authored by both the CEO and the Chair. She noted that the adjustments before the Boards complied with and followed the recent Division of the Budget Bulletin and reflected 2% increases, payable retroactively to April 2021 and April 2022. She noted that the resolution listing the eligible SVPs includes certain officers no longer with the Agencies, who will receive pro-rated increases. She added that adjustments will also be made to management confidential salaries of employees who are below the SVP band, noting that those adjustments would come before the Governance Committees in December for review, in accordance with the salary guidelines.

Chairman Adams asked if the adjustments were consistent with State directives. Mr. Olczak stated that the adjustments were consistent with and followed the terms of other adjustments made at the State level in accordance with State legislation for management confidential employees. He added that the Division of the Budget had reviewed the proposed

adjustments and had no issues with any of them. Mr. Freeman asked if in the future these adjustments would be done in a way that avoids retroactivity. Ms. Mallow noted that the recent legislation has resulted in the raises being brought current so that there should be no need in the future for retroactive lump sum payments.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HFA Members, the motion was carried, and the resolution was adopted. HFA Member Mr. McIntyre recused himself from the HFA vote, noting that he had been an officer of the Agencies during a portion of the retroactive period and therefore he did not feel comfortable voting on the SVP adjustments. His recusal was noted by Ms. Lopez and his vote was not counted.

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**The next item was the approval of Resolutions of the HFA Members authorizing the financing approval of \$29,000,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, an amount not to exceed \$16,405,000 in HFA subsidy funds, and \$825,000 in NYSEDA Clean Energy Initiative funds for the Marketplace Senior Apartments project in Henrietta, Monroe County.**

Ms. Behrens presented the project.

Mr. McIntyre asked about the features of the project that impact the quality of life for these seniors, such as outdoor space and generally how the environment surrounding the project will affect their daily lives. Ms. Behrens noted that the project is centrally located with easy availability of many local services and provided additional details on the local services and amenities.

Ms. Lopez moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second previously entered for the HFA Members, Ms. Lopez asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

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**The next item was the approval of resolutions of the HFA Members authorizing the financing approval of \$14,120,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$7,238,195 in HFA subsidy funds for the Magnolia Housing Scattered site project in Erie and Niagara Counties.**

Mr. Hubley presented the project.

Ms. McKeown asked whether the Agency was successful in completely decarbonizing the building. Ms. Behrens stated that this was not possible for this project, although an effort was made.

Ms. Lopez moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second previously entered for the HFA Members, Ms. Lopez asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

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**The next item before the HFA Members were Resolutions authorizing the financing approval of \$45,100,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, an amount not to exceed \$9,325,000 in HFA SHOP Subsidy funds, an amount not to exceed \$12,434,035 in Federal Housing Trust Funds, and an amount not to exceed \$1,875,000 in Clean Energy Initiative subsidy funds for the Pan American Square Project in Buffalo, Erie County.**

Ms. Behrens presented the project.

Mr. Freeman asked about the size of the rooms in the project and whether they had bathrooms. Ms. Behrens answered that in the past generation of projects of this type, you would find some building topology that would feature shared bathrooms. That is no longer the case. In this type of new construction, they are studio units with residents having their own bathrooms as well as their own kitchenette area. When you look at the building and the experience of the tenants, it would not be any different than any other new construction building that the Agency finances.

Mr. Ford asked about the type of care the residents receive, noting its importance given the characteristics of the intended project population. Ms. Behrens answered that there are on-site service providers, although not 24-hour service. She added there was 24-hour security assistance. In response to Mr. Ford's follow-up comments about the need for on-site services for the residents who suffer from various forms of mental illnesses, Ms. Behrens and Ms. Visnauskas summarized the experience of the on-site service providers as well as the various State assistance models that exist for these types of projects all designed to provide experienced on-site services for mentally ill residents.

Mr. Ford then asked a question about the MWBE participation requirements for these types of projects, as he did not see in the materials any evidence of MWBE participation. Ms. Visnauskas stated that the providers for these types of projects are typically non-profit entities where MWBE participation is limited but added that the Agency's MWBE guidelines require that the project participants use MWBE participants in various roles. She noted that the projects are not funded until approval is obtained from the Agency's MWBE unit to evidence that there is sufficient participation. The participation frequently takes the form of contractor and subcontractor MWBE participation, as well as MWBE involvement in various of the trades associated with project construction or rehabilitation. Ms. Behrens noted the strict enforcement of these requirements, adding that liquidated damages are payable when the requirements are not satisfied. Ms. Visnauskas added that at the next Board meeting the Members would get an opportunity to review the MWBE Goal Plan for the Agencies which covers these types of matters. Mr. Ford reiterated his concern that minority participation be maximized and noted that he looked forward to the presentation in December.

Mr. McIntyre expressed support for the project, noting that overall positive impact that this type of project brings to the entire community as a result of its many features, particularly the savings that accrue to health care systemic costs. He lauded it as a model for future developments and hoped that there was a way for all this key data to be captured to show the net overall economic impact, not just the housing component.

Ms. Lopez moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second previously entered for the HFA Members, Ms. Lopez asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

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**The next item was the approval of resolutions of the HFA Members authorizing the financing approval of \$54,480,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$8,523,979 in HFA subsidy funds for the Crotona Belmont Senior Housing Project in the Bronx, Bronx County.**

Ms. Behrens presented the project.

Chairman Adams noted the history of the project and provided some background on the work of Father Gigante in the Bronx over the years, noting how the work of his organization was instrumental in changing the landscape of this part of the Bronx going back to the 1970s.

Mr. Ford followed up with a question similar to his comments on the Pan American project, focusing on the absence of MWBE participation among the project participants. He noted that these projects involve multi-million dollars in investments, and it seemed to him there should be opportunities for partnerships between non-profits and MWBEs and that unless the Agency took an aggressive stand to make that happen, there would be no incentive for the non-profits to make the first move.

Ms. Visnauskas again focused on the “spend” requirements for these projects. She stated that under the State’s and the Agency’s guidelines there was a requirement for a “spend” of approximately 30% of project funds to be used with MWBE organizations. She added that this requirement was applied to and enforced with each Agency project. The funds spent do not necessarily get allocated on the non-profit side, but are often allocated to other project costs, such as with contractors, subcontractors and the trades.

Ms. McKeown’s question focused on the expensive nature of the project. Ms. Behrens noted that this was one of the projects that because of its location, Davis Bacon requirements and the general inflationary times has incurred higher costs than usual. She noted that every effort has been made to limit costs.

Mr. McIntyre asked about opportunities for getting economies of scale savings on projects like this by perhaps taking advantage of the empty parking lot situated next to the project for

additional development. Ms. Behrens noted that the costs of adding the space would have been prohibitive, even if the space were available.

Mr. Freeman asked a general question about the income bands for residents. Ms. Behrens summarized the various income requirements but noted that this type of project was available to the lowest income bands in the area, meaning anyone who received any kind of social security or other form of government assistance.

Ms. Lopez moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second previously entered for the HFA Members, Ms. Lopez asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

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**The next item was a Resolution authorizing a Small Building Program loan in an amount not to exceed \$2,886,929 for the Seneca Apartment project, in Geneva, Ontario County.**

Mr. Blackman presented the project.

Mr. Ford made a general comment, since this is an HFA project and he is only on the SONYMA Board, about how in his two meetings so far on the Board of SONYMA he has seen a concentration of projects outside of New York City. He noted the high levels of poverty concentrated in the New York City area and asked for some background on project concentration.

A discussion ensued, joined by Chairman Adams, Ms. McKeown, and Mr. McIntyre. Chairman Adams pointed out that over the yearly cycle the Boards would see, as they typically do, a plethora of projects, both in New York City and in other parts of the State, and that this longer look would provide Mr. Ford with a more realistic take on Agency project concentration. He pointed out that developers bring their projects to the Agency, so that there are some inherent limitations.

Ms. McKeown and Mr. McIntyre focused on a different issue: they both noted that New York City housing needs are addressed both at the State and at the City level, since the City has HDC and HPD as housing agencies that focus exclusively on New York City needs. HFA plays a role but is not the only player. They also noted that areas outside the City have large pockets of poverty and housing needs, and that unlike New York City these areas do not have access to entities that provide housing finance assistance, so that the role that HFA and HTFC play is crucial.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HFA Members, Ms. Lopez asked all HFA members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

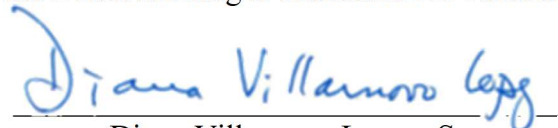
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**Chairman Adams stated that the last item is an Information Item: the review of the Current Agency Procurements in the Lobbying Restricted Period.**

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There being no unfinished business, Ms. Lopez asked for a motion to adjourn the HFA meeting. Considering the first and second previously entered, the motion was carried, and the meeting was adjourned.

Ms. Lopez informed the Members that the next Board meeting is scheduled for Thursday, December 15, 2022, at 9:00 a.m.

  
Diana Villarnovo Lopez, Secretary